

ORIGINAL



THIS AMENDMENT:		
_____ Passed _____	Passed as amended by _____	
_____ Failed _____	Not Offered _____	Withdrawn _____

GLEASON REVISED PROPOSED AMENDMENT #3

DATE PREPARED: November 5, 2007

COMPANY: UNS Gas, Inc.

DOCKET NOS: G-04204A-06-0463, ~~G-04204A-06-0013~~ and G-04204A-05-0831

OPEN MEETING DATES: November 8, 2007

AGENDA ITEM: U-2

Page 27, STRIKE lines 1 through 18, INSERT:

"UNS has shown that its average cash compensation for non-union employees is actually *below* that of comparable companies (UNSG-13 at 9) and argues that its employee compensation expenses should be recovered in rates, absent a finding that UNS' overall employee compensation costs are imprudent. We have made no such finding and agree with UNS that there is therefore no basis for denying UNS full recovery of \$126,859 for its PEP-related expense."

Page 83, line 11, INSERT a new Finding of Fact to read:

"17. The Company's request to recover its full PEP expense is reasonable in this case, and we will grant it."

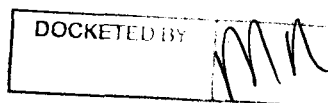
Renumber Findings of Fact to conform

Make all conforming changes

Arizona Corporation Commission

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2007 NOV -5 P 4: 55
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DOCKET CONTROL